

OFFICE OF THE STATE AUDITOR REPORT NOTE:

Section 7-7-211, Mississippi Code Annotated (1972) gives the Office of the State Auditor the authority to audit, with the exception of municipalities, any governmental entity in the state. In the case of municipalities, *Section 21-35-31, Mississippi Code Annotated (1972)* requires municipalities to obtain an annual audit performed by a private CPA firm and submit that audit report to the Office of the State Auditor. The Office of the State Auditor files these audit reports for review in case questions arise related to the municipality.

As a result, the following document was not prepared by the Office of the State Auditor. Instead, it was prepared by a private CPA firm and submitted to the Office of the State Auditor. The document was placed on this web page as it was submitted and no review of the report was performed by the Office of the State Auditor prior to finalization of the report. The Office of the State Auditor assumes no responsibility for its content or for any errors located in the document. Any questions of accuracy or authenticity concerning this document should be submitted to the CPA firm that prepared the document. The name and address of the CPA firm appears in the document.

TOWN OF SCOوبا, MISSISSIPPI
COMPILATION REPORT AND
REPORT ON AGREED-UPON PROCEDURES

SEPTEMBER 30, 2020

JUN 04 2025

TOWN OF SCOوبا, MISSISSIPPI

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JUN 04 2025

Windham and Lacey, PLLC

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Mayor and the Board of Aldermen
Town of Scooba, Mississippi

We have performed the procedures enumerated below, which were agreed to by the Office of the State Auditor, to the accounting records of the Town of Scooba, Mississippi, solely to assist the Office of the State Auditor to evaluate the Town of Scooba, Mississippi's compliance with certain laws and regulations as of September 30, 2020, and for the year then ended. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Office of the State Auditor, State of Mississippi. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. We were able to reconcile cash on deposit with the following banks to balances in the respective general ledger accounts and obtain confirmation of the related balances from the banks:

Bank	Fund / Account Name	Balance per General Ledger
The Citizens Bank	General/ Cash Checking	\$ 29,463
The Citizens Bank	General/ Savings - Retainer Fe	11,975
The Citizens Bank	General/ Cash - Emergency Well	16,076
The Citizens Bank	General/ Citizens - Vol Fire Dept	16,822
The Citizens Bank	General/ Cash - Payroll Clearing	(21)
The Citizens Bank	General/ Cash - A/P Clearing	100
	Total Governmental	\$ 74,415
The Citizens Bank	Water/Sewer / Cash O&M Fund - Bulk Water	\$ 69
The Citizens Bank	Water/Sewer / Meter Deposits	9,876
The Citizens Bank	Water/Sewer / Water Revenue Acct	67,083
The Citizens Bank	Water/Sewer / Home Improvement	24
The Citizens Bank	Water/Sewer / CDBG - ARC	100
	Total Business-type	\$ 77,152

2. We physically examined securities held for investment. Securities held in trust were confirmed directly with respective trustees.

<u>Bank</u>	<u>Fund / Account Name</u>	<u>Balance per General Ledger</u>
The Citizens Bank	General/ CD #101051	\$ 7,171
The Citizens Bank	General/ CD #30000301	4,233
The Citizens Bank	Water/Sewer / CD - Dept Acct #101138	8,986
The Citizens Bank	Water/Sewer / CD #3001241	10,311
Total Investments		\$ 30,701

3. We obtained a list of payments made by the Department of Finance and Administration (DFA) to the municipality. Payments indicated were traced to deposit in the respective bank accounts and recorded in the general ledger without exception. Payments traced were as follows:

<u>Payment Purpose</u>	<u>Receiving Fund</u>	<u>General Ledger Amount</u>
Gasoline Tax	General Fund	\$ 2,196
Homestead Exemption	General Fund	4,109
TVA Payments in Lieu of Taxes	General Fund	7,668
Fire Protection Allocation	General Fund	4,416
Sales Tax Allocation	General Fund	84,265
General Municipal Aid	General Fund	365
Grantor Payments	General Fund	599,992
Other Aid	General Fund	15,793
Total		\$ 718,804

4. We selected a sample of purchases made by the municipality during the fiscal year. Each sample item was evaluated for compliance with purchasing requirements set forth in Title 31, Chapter 7, Miss. Code Ann. (1972), as applicable.

The sample consisted of the following:

Number of Sample Items	7
Total Dollar Value of Sample	\$ 159,194

We found the municipality's purchasing procedures to be in agreement with the requirements of the above-mentioned sections.

5. We selected a sample of collections of fines and forfeitures and verified the municipal court clerk settled daily with the municipal clerk. We also selected a sample of state-imposed court assessments collected and determined that the municipal clerk had settled properly with the Department of Finance and Administration.

We found the Town of Scooba to be in agreement with the requirements of the abovementioned sections.

6. We have read the Municipal Compliance Questionnaire completed by the municipality. The completed survey indicated no instances of noncompliance with state requirements.
7. We performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:
 - a. Traced levies to governing body minutes;
 - b. Traced distribution of taxes collected to proper funds; and
 - c. Analyzed increase in taxes for most recent period for comparison with increase limitations of Sections 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on management's compliance with laws and regulations. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the Town of Scooba, Mississippi and the Office of the State Auditor, State of Mississippi, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is not intended to be and should not be used by anyone other than those specified parties.



Windham and Lacey, PLLC
Pearl, MS
May 15, 2025

Windham and Lacey, PLLC

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INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Mayor and the Board of Aldermen
Town of Scooba, Mississippi

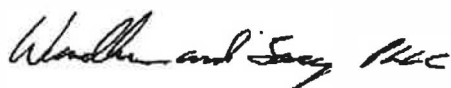
Management is responsible for the accompanying Statement of Cash Receipts and Disbursements – Governmental and Business-type Activities, of the Town of Scooba, Mississippi, for the year ended September 30, 2020, in accordance with the cash-basis of accounting, and for determining that the cash-basis of accounting is an acceptable financial reporting framework. We have performed the compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on this financial statement.

The financial statement is prepared in accordance with the cash-basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all the disclosures ordinarily included in the financial statements prepared in accordance with the cash-basis of accounting. If the omitted disclosures were included in the financial statement, they might influence the user's conclusions about the Town's cash receipts and disbursements. Accordingly, the financial statement is not designed for those who are not informed about such matters.

Management has omitted the management's discussion and analysis information that is required to be presented for purposes of additional analysis. Such missing information is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

The other information contained in the Schedule of Investments, Schedule of Long-term Debt and Schedule of Surety Bonds for Town Officials has been compiled from information that is the representation of management. We have not audited or reviewed the other information and accordingly, we do not express an opinion or provide any assurance on such other information.



Windham and Lacey, PLLC
Pearl, MS
May 15, 2025

Town of Scooba, Mississippi
Statement of Cash Receipts and Disbursements
Governmental and Business-type Activities
For the Year Ended September 30, 2020

	Governmental Activities	Business-type Activities
	General Fund	Water/Sewer Fund
RECEIPTS		
Taxes:		
General Property Taxes	\$ 52,786	
Licenses and Permits	225	
Intergovernmental Receipts:		
Federal Grants	597,992	
State Shared Receipts		
General Municipal Aid	365	
Homestead Exemption	4,109	
Sales Tax	84,265	
TVA Tax	7,668	
Fire Insurance Rebate	4,416	
Gasoline Tax	2,196	
Other Aid	15,793	
Fines and forfeitures	4,365	
Franchise Tax	19,194	
Water and sewer utility		217,360
Interest income	53	140
Miscellaneous	35,250	9,931
Total Receipts	\$ <u>828,677</u>	<u>227,431</u>
DISBURSEMENTS		
General government	\$ 161,206	
Public safety	12,173	
Culture and Recreation	5,000	
Water & Sewer utility:		
Personal services		97,837
Materials and Supplies		614,770
Other expenses		94,530
Total Disbursements	<u>178,379</u>	<u>807,137</u>
OTHER CASH SOURCES (USES)		
Transfer In (Out)	(597,992)	597,992
Principal on long-term debt		(7,393)
Interest on long-term debt		(1,309)
Total Other Cash Sources and (uses)	<u>(597,992)</u>	<u>589,290</u>
Excess of Receipts over (under) Disbursements	52,306	9,584
Cash - Beginning	<u>33,513</u>	<u>86,865</u>
Cash - Ending	\$ <u><u>85,819</u></u>	<u><u>96,449</u></u>

See accompanying accountant's compilation report.

Town of Scooba, Mississippi
Schedule of Investments - All Funds
September 30, 2020

<u>Ownership</u>	<u>Type of Investment</u>	<u>Interest Rate</u>	<u>Acquisition Date</u>	<u>Maturity Date</u>	<u>Bank</u>	<u>Amount</u>
General Fund	Certificate of Deposit	0.55%	08/26/17	05/26/21	Citizens Bank	\$ 7,171
General Fund	Certificate of Deposit	0.35%	07/23/17	10/23/20	Citizens Bank	4,233
Water/Sewer Fund	Certificate of Deposit	0.45%	05/11/19	05/11/21	Citizens Bank	8,986
Water/Sewer Fund	Certificate of Deposit	1.35%	06/07/19	12/07/21	Citizens Bank	10,311
Total Investments						\$ <u>30,701</u>

See accompanying Accountant's Compilation Report.

Town of Scooba, Mississippi
Schedule of Long-term Debt
For the Fiscal Year Ended September 30, 2020

<u>Definition and Purpose</u>	<u>Balance Outstanding October 1, 2019</u>	<u>Adjustments</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance Outstanding September 30, 2020</u>
CAP Loan - Mississippi Development Authority, Dated July 1, 2008, 2.0% interest rate monthly payments of \$725.11	68,543	(645)		(7,393)	60,505
Total	\$ <u>68,543</u>	<u>(645)</u>	<u>0</u>	<u>(7,393)</u>	<u>60,505</u>

**Adjustment is to adjust loan amount to actual based off the
amortization schedule from Mississippi Development Authority

See accompanying Accountant's Compilation Report.

Town of Scooba, Mississippi
Schedule of Surety Bonds for Town Officials
September 30, 2020

<u>Name</u>	<u>Position</u>	<u>Surety Company</u>	<u>Bond Amount</u>
Marion C Smoot	Mayor	MS Municipal Bond Program	\$ 50,000
Martha Maxine Puckett	Alderman	MS Municipal Bond Program	25,000
Craig Nave	Alderman	MS Municipal Bond Program	25,000
Chris Collins	Alderman	MS Municipal Bond Program	25,000
Rodney Woodard	Alderman	MS Municipal Bond Program	25,000
Kenneth E Sparks	Alderman	MS Municipal Bond Program	25,000
Wanda Bouldin	Town Clerk	Travelers	50,000
Catherine Holliday	Deputy Clerk	Travelers	50,000
Catherine Holliday	Court Clerk	Travelers	50,000
Mattie Rogers	Office Clerk	Travelers	50,000
JaBreka Dancy	Office Clerk	Travelers	50,000
DeQuandra Steele	Water Bill Clerk	Travelers	50,000
Steven Jackson	Police Chief	Travelers	50,000
Various	Police officers	Travelers	25,000

See accompanying Accountants' Compilation Report.

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REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

To the Mayor and the Board of Aldermen
Town of Scooba, Mississippi

We have compiled the accompanying Statement of Cash Receipts and Disbursements - Governmental and Business-type Activities, Schedule of Long-term Debt, and Schedule of Surety Bonds for Town Officials of the Town of Scooba, Mississippi, for the year ended September 30, 2020, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statement has been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles in the United States of America.

We have performed procedures to test compliance with certain state laws and regulations as described in the Municipal Compliance Questionnaire that is prescribed by the Office of the State Auditor. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Town's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures and our compilation of the accompanying Statement of Cash Receipts and Disbursements - Governmental and Business-type Activities, Schedule of Investments, Schedule of Long-term Debt, and Schedule of Surety Bonds for Town Officials of the Town of Scooba, Mississippi, for the year ended September 30, 2020, disclosed the following instance of noncompliance with state laws and regulations. Our finding and recommendation and your response is as follows:

Finding 1

Annual Compilation Report and Agreed-upon Procedures

Section 21-35-3, Miss. Code Ann. (1972), states, "The governing authority of every municipality in the state shall have the municipal books audited annually, before the close of the next succeeding fiscal year, in accordance with procedures and reporting requirements prescribed by the State Auditor." In lieu of a full scope audit, the State Auditor gives small municipalities the option of having a compilation report and agreed-upon procedures. The Town did not comply with this requirement.

Recommendation

We recommend the Town of Scooba complete the annual compilation report and agreed-upon procedures in a timely manner.

Town's Response

We are aware of this issue and have taken steps to have the annual compilation report and agreed-upon procedures completed.

This report is intended solely for the information and use of management and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in black ink, appearing to read "Windham and Lacey, PLLC". The signature is written in a cursive, flowing style.

Windham and Lacey, PLLC
Pearl, MS
May 15, 2025

2022 Municipal Audit and Accounting Guide
Municipal Audit Requirements – Guidelines for Municipal Officials

Transmittal Letter for Municipal Audit Reports

Number of Copies to be Transmitted - Two hard copies and one electronic copy of the completed audit or compilation report must be sent to the State Auditor. Electronic copies should be submitted to municipal.reports@osa.ms.gov. If the Federal Single Audit report is prepared, the municipality is reminded a copy of the report and a data collection form must be submitted to the U. S. Census Federal Clearinghouse.

Format for Transmittal Letter - In addition to sending the State Auditor and Clearinghouse the appropriate reports, the mayor of the municipality must also provide the State Auditor a transmittal letter. This transmittal letter must contain a statement regarding the existence of any management letters. If management letters have been written, a hard and electronic copy must be transmitted to the State Auditor along with each audit or compilation report sent.

The appropriate transmittal letter should be written as follows:

Office of the State Auditor
P.O. Box 956
Jackson, Mississippi 39205

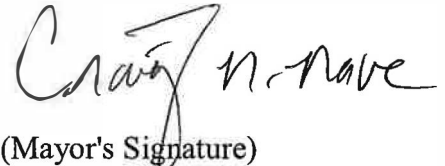
Re: Annual Municipal Audit

Accompanying this letter is a copy of the annual audit (compilation) of the city (town) of Scobba, Mississippi, for the fiscal year ended September 30, 2020. In connection with this audit (compilation), a separate management letter was written to the city (town). Enclosed you will find a copy of this management letter along with the audit (compilation) reports.

OR

Accompanying this letter is a copy of the annual audit (compilation) of the city (town) of Scobba, Mississippi, for the fiscal year ended September 30, 2020. A separate management letter was not written to the city (town) in connection with this audit.

Sincerely,



(Mayor's Signature)
Mayor